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Of Attorneys for Defendants

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

ALTERNATIVE LEGAL SOLUTIONS, INC., an Oregon corporation, dba COMPLI, Plaintiff,))) No. CV07–880-ST)
v. FERMAN MANAGEMENT SERVICES CORPORATION, a Florida corporation; MOSAIC INTERACTIVE, LLC, a Florida limited liability company; STEPHEN B. STRASKE II, individually, and JAMES GANTHER, individually, Defendants.)) AFFIDAVIT OF JAMES) GANTHER IN SUPPORT OF) DEFENDANTS' MOTION FOR) PARTIAL SUMMARY) JUDGMENT))
STATE OF FLORIDA)) ss. County of Hillsborough)	

I, James Ganther, being first been duly sworn, do hereby depose and say as follows:

Page 1 - AFFIDAVIT OF JAMES GANTHER IN SUPPORT OF DEFENDANTS' MOTION FOR PARTIAL SUMMARY JUDGMENT

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- 1. I am over the age of 18 and I make this affidavit based on personal knowledge of the facts contained herein.
- 2. I am a named defendant in the above referenced action and the President of Mosaic Interactive, LLC (hereinafter "Mosaic").
- 3. In the spring and summer of 2006, Robert Shimberg ("Shimberg"), a lawyer who focuses on automobile industry regulation, located in Tampa, Florida, conceived an idea to create an on line regulatory compliance company for the automotive industry. His idea was to create a cost-efficient way to provide practical and in depth compliance information using video training modules and other resources through an internet based system. The web site would have video segments on different finance and insurance compliance subjects, tests on those segments, and a way for dealers to monitor employee use of the system. The website would also provide access to live and archived "webinars" on compliance topics, white papers on compliance topics, a toll-free anonymous compliance hotline for employees of subscribing dealerships, and other compliance-related functions. Shimberg and I discussed this idea and we eventually agreed that I would quit my current employment and run the company. Shimberg's original compliance concept, as enhanced by our discussions, eventually became Mosaic.
- 4. At the inception of its business, Mosaic licensed an off-the-shelf software platform from Intelladon Corporation ("Intelladon") for its on line system. This learning management system would track which dealership employees took an online training module and the test associated with that module, the results of the test, and provide reporting functionality. The focus of Mosaic's website was professional training in finance and insurance matters related to regulatory compliance in the automotive industry, along with numerous other compliance-related features and links. It was Mosaic's intention from the beginning to be

demonstrably different from all potential competitors by the breadth of its offerings, hence the name "Mosaic" and its slogan, "All the pieces in one place."

- 5. At no time did I ever personally log on to plaintiff's system. At my request, defendant Ferman Management Services Corporation ("Ferman") provided access to plaintiff's web site for Intelladon employees Linsey Bohnenstiehl and Tim Goewey. The only purpose of Intelladon's access to plaintiff's web site was to determine whether Intelladon's software had the capacity to present Ferman's content (policies, tests on those polices, and employee history), on its system.
- 6. The user accounts created by Ferman for me and Intelladon employees were identified by our own names. Although I was given my own user name and password for plaintiff's system, I gave it to Ms. Bohnensteihl and Mr. Goeway for their use and did not log on myself. No one from Mosaic or Intelladon ever attempted to disguise their identities while logging onto plaintiff's system. Neither I nor anyone from Mosaic saw the agreement between plaintiff and Ferman until the filing of this lawsuit, and so were unaware that access by Intelladon to the plaintiff-Ferman web site was unauthorized under that agreement.
- 7. Mosaic's on line system was created without the use of any of plaintiff's information available on its on line system. At no time has anyone from Mosaic or Intelladon used or copied any content, feature, or function of plaintiff's on line system viewed during Intelladon's access to plaintiff's on line system. No one from Mosaic or Intelladon has in any way replicated the appearance of plaintiff's system viewed during Intelladon's access to plaintiff's on line system. No one from Mosaic or Intelladon has used or replicated plaintiff's back office features since no one from Ferman granted "administrative" permissions under the user accounts for Mosaic and Intelladon. No one from Mosaic or Intelladon has used plaintiff's roll out written materials for clients of its on line system. Although Ferman emailed plaintiff's

roll out materials to me, I did not solicit those materials. At no time has anyone from Mosaic or Intelladon caused any form of damage to the integrity or availability of plaintiff's data, programs, system, or information.

- 8. In August of 2007, Mosaic ended its relationship with Intelladon. Mosaic started using a software firm named AgileView Software, Inc. ("AgileView") for its learning management system. AgileView has had no access to any information from Intelladon related to its integration as Mosaic's new learning management system software vendor. No one from AgileView has had any contact with anyone from Intelladon regarding Intelladon's software used for Mosaic's system. No one from AgileView has viewed Intelladon's software used for Mosaic's system.
- 9. In the spring of 2006, prior to the existence of Mosaic, Lon Leneve ("Leneve"), plaintiff's current President and Chief Financial Officer, participated in an on line demonstration of plaintiff's on line system to me. The demonstration was done on line while one of plaintiff's representatives explained the functions and features of plaintiff's system to me on the phone. The specific functions of plaintiff's system I viewed included the ability of plaintiff's system to house dealership policies, provide for tests on those policies for dealership employees, an electronic signature function verifying each employees' successful completion of those tests, a reporting and notification feature that informed supervisors which employees had not completed particular policy trainings, and certain third party legal resources for subscribers to plaintiff's on line system.
- 10. At no time prior to the presentation of plaintiff's demonstration web site to me did anyone from plaintiff's company ever ask for or receive an agreement from me to keep the system features confidential or an agreement not to use those features and functions.

- 11. To my knowledge, at no time did I or any employee or agent of Mosaic ever interfere with any of plaintiff's current or prospective business relationships with any improper motive other than doing business in the marketplace.
- 12. To my knowledge, at no time did I or any employee or agent of Mosaic ever interfere with plaintiff's use or possession of its web site system or any of the information available on that system.

DATED this 15 day of December, 2008.

SUBSCRIBED AND SWORN to before me this / day of December, 2008.

Notary Public for Comma Divacoa My Commission Expires:

Comm. DD 719184 ExpIRES 10-17-2011